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EAST EUROPE BRANCH NOTES

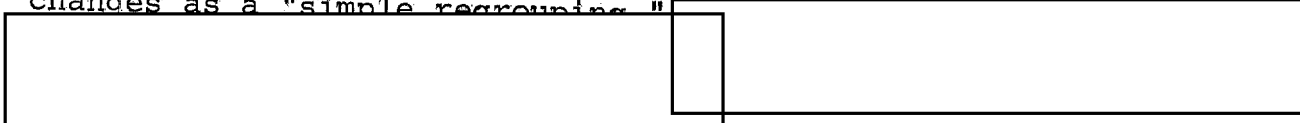
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HUNGARY

Kadar Reassures Country

On March 28, party leader Kadar used his first major speech since the leadership shakeup to reassure Hungarians that policy would be "unchanged" and to describe the personnel changes as a "simple regrouping."

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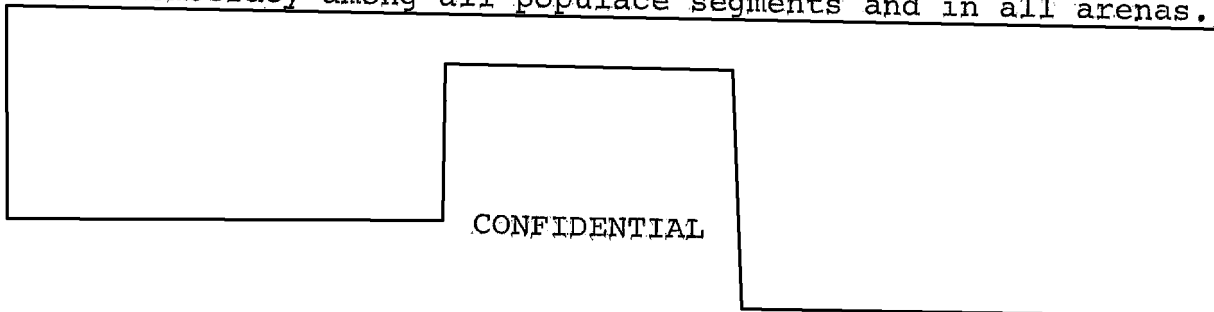


Kadar emphasized his policy of a "national alliance of workers, peasants and intellectuals," something that had been given only passing mention in the central committee communique of March 21. The "alliance" has provided the theoretical underpinning for Kadar's lenient domestic policies. Although his general implication was that these policies would continue, he gave few clues about how they might evolve. The message for the critics, however, was that the alliance policy, which has provided domestic stability, could not be abandoned for all out economic and political attention to the industrial working class.

At the same time, Kadar gently suggested that the "leading role" of the working class had been sufficiently examined by the party and would require less special attention in the future. This phrase has been used by conservative critics to attack the economic reform and its alleged second-hand treatment of industrial workers.

Kadar reiterated the central committee's decision to give industrial workers a greater role in decision-making, but he did this by placing it in a wider context of the need for more democracy among all populace segments and in all arenas.

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YUGOSLAVIA

Dolanc Cautions Reserve Officers

Stane Dolanc attempted last week both to calm the fears and rein in the political ambitions of the Federation of Reserve Army Officers. In speaking to the Presidium of the Federation, which has 500,000 members, Dolanc warned against apparent attempts by some reserve officers to turn the organization into a "counterpart" of the Socialist Alliance, the parent Veterans Association, or "perhaps even of the League of Communists." Some reserve officers worried about the prestige of their organization, have evidently lobbied for separate status for their delegates to the various social-political chambers in the new assemblies. He assured the officers that their organization would be represented in the chambers, but only if the Federation nominates good candidates.

Dolanc also delivered a carrot-and-stick response to those reserve officers who complain that their status within local communities is deteriorating. Although he reassured them that their importance has not diminished, he also said that they sometimes exaggerate problems.

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BULGARIA

Zhivkov Off to Iraq

The reported decision of Bulgarian party chief Zhivkov to start an official three-day visit to Iraq on April 8 may be largely the result of Iraqi persistence. Poor health forced a last minute cancellation of Zhivkov's planned visit in March 1973. Since then, Iraqi diplomats have unsuccessfully tried to commit the Bulgarian foreign ministry to reschedule the visit, but Zhivkov's swing through East Europe last fall further complicated these efforts and irritated Baghdad.

Oil promises to be the major topic of conversation, but Zhivkov has his work cut out for him if the intransigent Iraqi position in the past is any guideline. Bulgaria depends on the Middle East for 30% of its petroleum needs, and has expressed displeasure over the increased price that it must pay for Iraqi oil.

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